

## SUMMARY OF REGULAR POLICY CHANGES FISCAL YEAR 2007-08

| <b>POLICY<br/>CHG. NO.</b> | <b>CATEGORY &amp; TITLE</b>                        | <b>TOTAL FUNDS</b>   | <b>FEDERAL FUNDS</b> | <b>STATE FUNDS</b>   |
|----------------------------|--|----------------------|----------------------|----------------------|
|                            | <b>ELIGIBILITY</b>                                 |                      |                      |                      |
| 1                          | FAMILY PLANNING INITIATIVE                         | \$462,177,000        | \$311,632,200        | \$150,544,800        |
| 2                          | BREAST AND CERVICAL CANCER TREATMENT               | \$85,846,000         | \$47,737,300         | \$38,108,700         |
| 3                          | REDETERMINATION FORM SIMPLIFICATION                | \$47,783,270         | \$23,891,640         | \$23,891,630         |
| 4                          | CHDP GATEWAY - PREENROLLMENT                       | \$17,549,000         | \$11,406,850         | \$6,142,150          |
| 5                          | BRIDGE TO HFP                                      | \$8,104,000          | \$5,267,600          | \$2,836,400          |
| 6                          | SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL        | \$5,000,000          | \$2,500,000          | \$2,500,000          |
| 7                          | ELIG. FOR CHILDREN IN MONTH PRIOR TO SSI/SSP GRANT | \$5,154,110          | \$2,577,060          | \$2,577,060          |
| 8                          | MEDI-CAL/HF BRIDGE PERFORMANCE STANDARDS           | \$3,088,780          | \$2,007,710          | \$1,081,070          |
| 9                          | MEDI-CAL TO HFP ACCELERATED ENROLLMENT             | \$6,909,280          | \$4,491,030          | \$2,418,250          |
| 10                         | BCCTP RETROACTIVE COVERAGE                         | \$789,170            | \$512,960            | \$276,210            |
| 11                         | SB 437 - SELF-CERTIFICATION                        | \$20,672,260         | \$10,336,130         | \$10,336,130         |
| 13                         | RESOURCE DISREGARD - % PROGRAM CHILDREN            | \$0                  | \$16,581,150         | -\$16,581,150        |
| 14                         | REFUGEES   | \$0                  | \$2,378,000          | -\$2,378,000         |
| 15                         | NEW QUALIFIED ALIENS                               | \$0                  | -\$167,324,500       | \$167,324,500        |
| 16                         | ACCELERATED ENROLLMENT-SCHIP TITLE XXI             | \$0                  | \$0                  | \$0                  |
|                            | <b>ELIGIBILITY SUBTOTAL</b>                        | <b>\$663,072,870</b> | <b>\$273,995,120</b> | <b>\$389,077,750</b> |
|                            | <b>BENEFITS</b>                                    |                      |                      |                      |
| 17                         | ADULT DAY HEALTH CARE - CDA                        | \$375,793,000        | \$187,896,500        | \$187,896,500        |
| 18                         | LOCAL EDUCATION AGENCY (LEA) PROVIDERS             | \$175,000,000        | \$175,000,000        | \$0                  |
| 19                         | MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA           | \$50,516,000         | \$25,258,000         | \$25,258,000         |
| 20                         | CONLAN V. BONTA                                    | \$44,854,880         | \$22,427,440         | \$22,427,440         |
| 21                         | HUMAN PAPILLOMAVIRUS VACCINE                       | \$11,278,940         | \$5,639,470          | \$5,639,470          |
| 22                         | PRENATAL SCREENING EXPANSION                       | \$9,983,640          | \$4,991,820          | \$4,991,820          |
| 23                         | NF A/B WAIVER GROWTH                               | \$6,592,050          | \$3,296,030          | \$3,296,030          |
| 24                         | DENTAL RESTORATION DOCUMENTATION REQUIREMENTS      | \$2,002,000          | \$1,001,000          | \$1,001,000          |
| 25                         | GENETIC DISEASE TESTING FEE INCREASE               | \$3,054,830          | \$1,527,420          | \$1,527,420          |
| 26                         | FLUORIDE VARNISH                                   | \$3,936,000          | \$1,968,000          | \$1,968,000          |
| 27                         | ELIMINATION OF PODIATRY TARS                       | \$199,400            | \$99,700             | \$99,700             |
| 28                         | NEW SERVICES FOR NF A/B, SUBACUTE & IHMC WAIVER    | \$327,300            | \$163,650            | \$163,650            |
| 29                         | DENTAL HEALTH FOR CHILDREN                         | \$1,550,000          | \$775,000            | \$775,000            |
| 30                         | INDEP. PLUS SELF-DIR. SERV. WAIVER - CDDS          | \$634,000            | \$634,000            | \$0                  |
| 31                         | NEWBORN HEARING SCREENS EXPANSION                  | \$296,560            | \$148,280            | \$148,280            |
| 32                         | FAMILY PACT STATE ONLY SERVICES                    | \$0                  | -\$2,500,000         | \$2,500,000          |
| 33                         | CLPP FUNDING FOR EPSDT LEAD SCREENS                | \$0                  | \$0                  | \$0                  |
| 34                         | SCHIP FUNDING FOR PRENATAL CARE                    | \$0                  | \$97,189,950         | -\$97,189,950        |
| 35                         | CDSS SHARE OF COST PAYMENT FOR IHSS                | \$0                  | -\$5,362,500         | \$5,362,500          |
| 36                         | ADULT DAY HEALTH CARE REFORMS                      | -\$5,023,000         | -\$2,511,500         | -\$2,511,500         |
| 37                         | EXPANSION OF NF A/B WAIVER (SB 643)                | -\$863,000           | -\$431,500           | -\$431,500           |
| 38                         | \$1800 DENTAL CAP FOR ADULTS                       | -\$2,500,000         | -\$1,250,000         | -\$1,250,000         |

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|--------------------|--|-------------------------|-----------------------|-----------------------|
|                    | <b>BENEFITS</b>                              |                         |                       |                       |
|                    | <b>BENEFITS SUBTOTAL</b>                     | <b>\$677,632,590</b>    | <b>\$515,960,750</b>  | <b>\$161,671,840</b>  |
|                    | <b>PHARMACY</b>                              |                         |                       |                       |
| 39                 | HIV/AIDS PHARMACY PILOT PROGRAM              | \$0                     | -\$570,000            | \$570,000             |
| 40                 | NON FFP DRUGS                                | \$0                     | -\$268,000            | \$268,000             |
| 41                 | DRUG REIMBURSEMENT REDUCTION                 | -\$88,000,320           | -\$44,000,160         | -\$44,000,160         |
| 42                 | MEDICAL SUPPLY CONTRACTING                   | -\$4,671,630            | -\$2,335,820          | -\$2,335,810          |
| 43                 | ENTERAL NUTRITION PRODUCTS                   | -\$8,385,400            | -\$4,192,700          | -\$4,192,700          |
| 44                 | NEW THERAPEUTIC CATEGORY REVIEWS/REBATES     | -\$3,626,350            | -\$1,813,180          | -\$1,813,170          |
| 45                 | AGED DRUG REBATE RESOLUTION                  | -\$8,000,000            | -\$4,000,000          | -\$4,000,000          |
| 46                 | FAMILY PACT DRUG REBATES                     | -\$32,690,000           | -\$19,471,000         | -\$13,219,000         |
| 47                 | STATE SUPPLEMENTAL DRUG REBATES              | -\$380,809,000          | -\$190,996,900        | -\$189,812,100        |
| 48                 | FEDERAL DRUG REBATE PROGRAM                  | -\$818,992,000          | -\$410,770,400        | -\$408,221,600        |
|                    | <b>PHARMACY SUBTOTAL</b>                     | <b>-\$1,345,174,700</b> | <b>-\$678,418,160</b> | <b>-\$666,756,550</b> |
|                    | <b>MANAGED CARE</b>                          |                         |                       |                       |
| 52                 | MANAGED CARE INTERGOVERNMENTAL TRANSFERS     | \$161,000,000           | \$78,500,000          | \$82,500,000          |
| 55                 | RESTORATION OF PROVIDER PAYMENT DECREASE     | \$132,986,000           | \$66,493,000          | \$66,493,000          |
| 59                 | RISK PAYMENTS FOR MANAGED CARE PLANS         | \$5,500,000             | \$2,750,000           | \$2,750,000           |
| 61                 | PACE RATES AT 90% OF UPL                     | \$4,355,000             | \$2,177,500           | \$2,177,500           |
| 62                 | CAPITATION RATE INCREASES                    | \$2,220,000             | \$1,110,000           | \$1,110,000           |
| 63                 | QUALITY IMPROVEMENT ASSESSMENT FEE           | \$2,589,000             | \$1,294,500           | \$1,294,500           |
| 64                 | FFS COSTS FOR MANAGED CARE ENROLLEES         | \$0                     | \$0                   | \$0                   |
|                    | <b>MANAGED CARE SUBTOTAL</b>                 | <b>\$308,650,000</b>    | <b>\$152,325,000</b>  | <b>\$156,325,000</b>  |
|                    | <b>PROVIDER RATES</b>                        |                         |                       |                       |
| 65                 | NF-B RATE CHANGES AND QA FEE                 | \$332,099,780           | \$166,049,890         | \$166,049,890         |
| 66                 | LTC RATE ADJUSTMENT                          | \$119,947,240           | \$59,973,620          | \$59,973,620          |
| 67                 | ANNUAL MEI INCREASE FOR FQHCS/RHCS           | \$41,052,250            | \$20,526,120          | \$20,526,120          |
| 68                 | NON-CONTRACT HOSP. 10% INTERIM RATE RED.     | \$26,577,000            | \$13,288,500          | \$13,288,500          |
| 69                 | DME REIMBURSEMENT CHANGES                    | \$5,067,000             | \$2,533,500           | \$2,533,500           |
| 70                 | HOSPICE RATE INCREASES                       | \$11,276,640            | \$5,638,320           | \$5,638,320           |
| 71                 | MINIMUM WAGE INCREASE FOR LTC FACILITIES     | \$8,650,860             | \$4,325,430           | \$4,325,430           |
| 72                 | NF A/B WAIVER CAP INCREASE                   | \$9,295,180             | \$4,647,590           | \$4,647,590           |
| 73                 | NF-B 2007-08 RATE CAP ADJUSTMENT             | -\$28,837,920           | -\$14,418,960         | -\$14,418,960         |
|                    | <b>PROVIDER RATES SUBTOTAL</b>               | <b>\$525,128,030</b>    | <b>\$262,564,010</b>  | <b>\$262,564,010</b>  |
|                    | <b>HOSPITAL FINANCING</b>                    |                         |                       |                       |
| 74                 | HOSP FINANCING - DSH PMT                     | \$1,619,443,000         | \$1,032,581,000       | \$586,862,000         |
| 75                 | HOSP FINANCING - SAFETY NET CARE POOL        | \$518,800,000           | \$518,800,000         | \$0                   |
| 76                 | HOSP FINANCING - PRIVATE DSH REPLACEMENT     | \$464,000,000           | \$232,000,000         | \$232,000,000         |
| 77                 | HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT   | \$292,936,000           | \$146,468,000         | \$146,468,000         |
| 78                 | HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN | \$56,093,000            | \$56,093,000          | \$0                   |

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|-------------------------------------|---|------------------------|------------------------|----------------------|
| <b><u>HOSPITAL FINANCING</u></b>    |   |                        |                        |                      |
| 79                                  | HOSP FINANCING - CCS AND GHPP                 | \$72,784,000           | \$72,784,000           | \$0                  |
| 80                                  | HOSP FINANCING - DISTRESSED HOSPITAL FUND     | \$29,212,000           | \$14,606,000           | \$14,606,000         |
| 81                                  | HOSP FINANCING - DPH INTERIM RATE GROWTH      | \$8,480,000            | \$8,480,000            | \$0                  |
| 82                                  | HOSP FINANCING - NDPH SUPPLEMENTAL PMT        | \$3,898,000            | \$1,949,000            | \$1,949,000          |
| 83                                  | HOSP FINANCING - HEALTH CARE COVERAGE         | \$150,000,000          | \$150,000,000          | \$0                  |
| 84                                  | HOSP FINANCING - DPH INTERIM RECONCILIATION   | \$147,736,000          | \$147,736,000          | \$0                  |
| 85                                  | HOSP FINANCING - STABILIZATION FUNDING        | \$138,000,000          | \$69,000,000           | \$69,000,000         |
| 86                                  | HOSP FINANCING - BCCTP                        | \$0                    | \$0                    | \$0                  |
| 87                                  | BASE ADJUSTMENT - DPH INTERIM RATE            | \$0                    | \$414,490,500          | -\$414,490,500       |
| 88                                  | HOSP FINANCING - MIA LTC                      | \$0                    | \$0                    | \$0                  |
| <b>HOSPITAL FINANCING SUBTOTAL</b>  |   | <b>\$3,501,382,000</b> | <b>\$2,864,987,500</b> | <b>\$636,394,500</b> |
| <b><u>SUPPLEMENTAL PMNTS.</u></b>   |   |                        |                        |                      |
| 90                                  | CAPITAL PROJECT DEBT REIMBURSEMENT            | \$104,872,000          | \$52,436,000           | \$52,436,000         |
| 91                                  | HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT      | \$125,000,000          | \$125,000,000          | \$0                  |
| 92                                  | IGT FOR NON-SB 1100 HOSPITALS                 | \$200,000,000          | \$100,000,000          | \$100,000,000        |
| 93                                  | FFP FOR LOCAL TRAUMA CENTERS                  | \$44,000,000           | \$22,000,000           | \$22,000,000         |
| 94                                  | CERTIFICATION PAYMENTS FOR DP-NFS             | \$36,000,000           | \$36,000,000           | \$0                  |
| 95                                  | DSH OUTPATIENT PAYMENT METHOD CHANGE          | \$10,000,000           | \$5,000,000            | \$5,000,000          |
| 96                                  | SRH OUTPATIENT PAYMENT METHOD CHANGE          | \$8,000,000            | \$4,000,000            | \$4,000,000          |
| 98                                  | FREESTANDING CLINICS & VETERANS' HOMES SUPPL. | \$127,500,000          | \$127,500,000          | \$0                  |
| <b>SUPPLEMENTAL PMNTS. SUBTOTAL</b> |   | <b>\$655,372,000</b>   | <b>\$471,936,000</b>   | <b>\$183,436,000</b> |
| <b><u>OTHER</u></b>                 |   |                        |                        |                      |
| 110                                 | HEALTHY FAMILIES - CDMH                       | \$24,002,000           | \$24,002,000           | \$0                  |
| 111                                 | NURSE-TO-PATIENT RATIOS FOR HOSPITALS         | \$18,105,000           | \$9,052,500            | \$9,052,500          |
| 114                                 | MINOR CONSENT SETTLEMENT                      | \$9,098,000            | \$0                    | \$9,098,000          |
| 116                                 | ANTI-FRAUD BIC CLAIMS REPROCESSING            | \$1,169,000            | \$584,500              | \$584,500            |
| 118                                 | TWO-PLAN MODEL NOTICES OF DISPUTE             | \$1,000,000            | \$0                    | \$1,000,000          |
| 120                                 | ESTATE RECOVERY REGULATIONS                   | \$447,010              | \$223,510              | \$223,500            |
| 122                                 | CIGARETTE AND TOBACCO SURTAX FUNDS            | \$0                    | \$0                    | \$0                  |
| 124                                 | INDIAN HEALTH SERVICES                        | \$0                    | \$5,900,000            | -\$5,900,000         |
| 125                                 | ANTI-FRAUD EXPANSION FOR FY 2004-05           | \$0                    | \$0                    | \$0                  |
| 126                                 | NON-INSTITUTIONAL PROVIDER OVERPAYMENTS       | \$0                    | -\$48,000,000          | \$48,000,000         |
| 127                                 | STATE-ONLY IMD ANCILLARY SERVICES             | \$0                    | -\$12,400,000          | \$12,400,000         |
| 128                                 | ANTI-FRAUD EXPANSION FOR FY 2007-08           | -\$45,028,440          | -\$22,514,220          | -\$22,514,220        |
| 129                                 | MEDICAL SUPPORT ENHANCEMENTS                  | -\$1,901,450           | -\$950,720             | -\$950,720           |
| 130                                 | GLAXOSMITHKLINE SETTLEMENT                    | \$0                    | \$0                    | \$0                  |
| 131                                 | EDS COST CONTAINMENT PROJECTS                 | -\$2,048,920           | -\$1,024,460           | -\$1,024,460         |
| 132                                 | NEW RECOVERY ACTIVITIES                       | -\$26,072,550          | -\$13,036,280          | -\$13,036,280        |
| 133                                 | ANTI-FRAUD EXPANSION FOR FY 2005-06           | -\$4,127,870           | -\$2,063,940           | -\$2,063,940         |

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|----------------------------|-------------------------------------|------------------------|------------------------|------------------------|
|                            | <b>OTHER</b>                        |                        |                        |                        |
| 134                        | ANTI-FRAUD EXPANSION FOR FY 2006-07 | -\$83,462,530          | -\$41,731,260          | -\$41,731,260          |
|                            | <b>OTHER SUBTOTAL</b>               | <b>-\$108,820,740</b>  | <b>-\$101,958,370</b>  | <b>-\$6,862,370</b>    |
|                            | <b>GRAND TOTAL</b>                  | <b>\$4,877,242,040</b> | <b>\$3,761,391,850</b> | <b>\$1,115,850,190</b> |